

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

National Exchange)
Carrier Association, Inc.)
)
Petition to Amend Section 69.3 of)
the Commission's Rules)

RECEIVED

FEB - 8 1999

**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

Petition for Rulemaking

The National Exchange Carrier Association, Inc. (NECA) on behalf of its member companies, hereby requests that the Commission initiate a proceeding to amend certain Part 69 rules so as to shorten the current required notice period for changes in participation in NECA's access tariffs. Specifically, NECA requests that the tariff election deadline be changed from December 31 of the preceding year to March 1 of the tariff year. These amendments, if made, will provide exchange carriers with more time to decide whether they wish to join or withdraw from NECA's interstate access tariffs and revenue pools.

The current Part 69 access charge rules establish specific required dates for carriers to notify NECA of their intent to withdraw from NECA's tariffs. These rules, reproduced in the attached Appendix A, generally require carriers to give NECA six months' notice before tariff participation changes become effective.

Advance notice of tariff participation changes is required so that NECA may prepare and file interstate access rates that accurately reflect the cost and demand characteristics of its pooling companies. Many of the Commission's current Part 69 rules were promulgated, however, when all exchange carriers were required to participate in

No. of Copies rec'd 0+9
List ABCDE
CCB

NECA's interstate access tariffs, and when carriers were required to file annual access tariff revisions on at least 90 days' notice.¹ Also, at that time data collection and processing methods employed by NECA and most of its tariff participating carriers were less mechanized than they are today. For NECA, these combined circumstances (longer tariff effective notice period and less mechanized data processing methods) required that carriers provide notice of their intention to join in or withdraw from the NECA pools far in advance of the actual effective date of the tariff.

Under the Commission's current "streamlined" tariff filing rules, carriers are permitted to submit their annual access tariffs filings on only 15 days' notice² (*e.g.*, by June 16, for a July 1 effective date). Today NECA employs electronic data collection and processing routines that significantly reduce the time required to assemble and analyze data in advance of the tariff filing. Under these circumstances, there is no longer a need for carriers to provide six months advance notice to NECA of planned tariff participation changes.

Shorter notice periods would therefore not disadvantage NECA in any way, and could help smaller companies make better-informed decisions regarding tariff participation. For example, NECA is required to file proposed revisions to the average schedule formulas (or to certify that no such revisions are necessary) on December 31 of each year. These formulas are used to compute interstate access compensation for average schedule companies that simulate disbursements that would be received by representative cost companies. Decisions regarding tariff participation can be quite

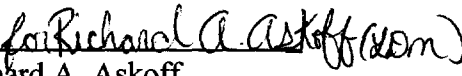
¹ 47 C.F.R. § 69.3(a).

² 47 C.F.R. § 61.58(e). *See also* 12 FCC Rcd 2172, 2189 (1996).

complex, requiring careful analysis by average schedule companies. Although NECA attempts to provide average schedule companies with advance notice of the likely effects of upcoming average schedule formula changes, the current notice deadline of December 31 does not afford adequate time in which to make an informed tariff election decision based on the filed proposed revisions. A March 1 tariff election deadline will provide both NECA and average schedule companies ample time to collect sufficient information to evaluate and make an informed tariff decision.

For the foregoing reasons, NECA respectfully asks the Commission to amend its rules to shorten the period for notifying NECA of tariff participation changes.³ Specifically, NECA proposes that rules requiring exchange carriers to notify NECA of their election choices on December 31 be revised to establish March 1 of the tariff year as the notice date. This change should be made effective for tariffs filed in the year 2000.⁴ Appendix B includes proposed rule language.

Respectfully submitted,
NATIONAL EXCHANGE CARRIER ASSOCIATION, Inc.

By: 
Richard A. Askoff
Regina McNeil
Its Attorneys

February 8, 1999

³ In the alternative, the Commission could eliminate its requirement that companies notify NECA of changes in their tariff participation. Such action would relieve the Commission of the administrative burden of reviewing applications for special permission, which are now submitted for companies that miss the election deadline. Additionally, such action will further the Commission goal of eliminating unnecessary regulations. Finally, the Commission's objective to provide NECA ample time to develop annual access rates may be better served by allowing NECA to develop internal procedures, which could be adjusted to meet special circumstances.

⁴ Section 69.3(i)(1), which establishes a "six-month" withdrawal notice period, should also be revised to require notification by March 1.

47 C.F.R. § 69.3(e)(6):

A telephone company or companies that elect to file such a tariff shall notify the association not later than December 31 of the preceding year, if such company or companies did not file such a tariff in the preceding annual period or cross-reference association charges in such preceding period that will not be cross-referenced in the new tariff.

47 C.F.R. § 69.3(e)(9)

A telephone company or group of affiliated telephone companies that elects to file its own Carrier Common Line tariff effective April 1, 1989 shall notify the association not later than August 30 of the preceding year that it will no longer participate in the association tariff. A telephone company or group of affiliated telephone companies that elects to file its own Carrier Common Line tariff effective July 1, 1990 or thereafter pursuant to § 69.3(a) shall notify the association not later than December 31 of the preceding year that it will no longer participate in the association tariff. A telephone company or group of affiliated telephone companies that elects to file its own Carrier Common Line tariff for one of its study areas shall file its own Carrier Common Line tariff(s) for all of its study areas.

47 C.F.R. § 69.3(i)(1):

In addition to the withdrawal provisions of paragraphs (e)(6) and (9) of this section, a telephone company or group of affiliated telephone companies that participate in one or more Association tariffs during the current tariff year and that elects to file price cap tariffs or optional incentive regulation tariffs effective July 1 of the following tariff year, shall give the Association at least 6 months' notice that it is withdrawing from all association tariffs, subject to the terms of this Rule, to participate in price cap regulation or optional incentive regulation.

47 C.F.R. § 69.3(j):

A telephone company or group of affiliated telephone companies that participates in an association tariff and elects to file its own tariff pursuant to § 61.50 of this chapter by January 1, 1994 shall notify the association not later than September 1, 1993 that it will no longer participate in the association tariff. This January 1, 1994 filing shall be for an 18-month tariff period. A telephone company or group of affiliated telephone companies that participates in an association tariff and elects to file its own tariff pursuant to § 61.50 of this chapter, by July 1, 1994 or thereafter pursuant to paragraph (a) of this section, shall notify the association not later than December 31 of the preceding year that it will no longer participate in that association tariff.

47 C.F.R. § 69.3(e)(6):

A telephone company or companies that elect to file such a tariff shall notify the association no later than March 1 of the current year, if such company or companies did not file such a tariff in the preceding annual period or cross-reference association charges in such preceding period that will not be cross-referenced in the new tariff.

47 C.F.R. § 69.3(e)(9)

A telephone company or group of affiliated telephone companies that elects to file its own Carrier Common Line tariff pursuant to § 69.3(a) shall notify the association no later than March 1 of the current year that it will no longer participate in the association tariff. A telephone company or group of affiliated telephone companies that elects to file its own Carrier Common Line tariff for one of its study areas shall file its own Carrier Common Line tariff(s) for all of its study areas.

47 C.F.R. § 69.3(i)(1):

In addition to the withdrawal provisions of paragraphs (e)(6) and (9) of this section, a telephone company or group of affiliated telephone companies that participate in one or more Association tariffs during the current tariff year and that elects to file price cap tariffs or optional incentive regulation tariffs effective July 1, shall notify the Association by March 1 that it is withdrawing from all association tariffs, subject to the terms of this Rule, to participate in price cap regulation or optional incentive regulation.

47 C.F.R. § 69.3(j):

A telephone company or group of affiliated telephone companies that participates in an association tariff and elects to file its own tariff pursuant to paragraph (a) of this section, shall notify the association no later than March 1 of the current year that it will no longer participate in that association tariff.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Petition was served this 8th day of February 1999, by hand delivery, to the persons listed below.

By: Yolanda Sly
Yolanda Sly

Magalie Roman Salas*
Secretary
Federal Communications Commission
445 12th Street, S.W.
TW-A325
Washington, D.C. 20554
(Original and 9 copies)

Judith A. Nitsche
Chief, Tariff & Pricing Analysis Branch
Federal Communications Commission
Common Carrier Bureau, Room 500
1919 M Street, N.W.
Washington, D.C. 20554

Eugene Gold
Federal Communications Commission
Common Carrier Bureau 514
1919 M Street, N.W.
Washington, D. C. 20554

International Transcription Service (ITS)*
1231 20th Street, N.W.
Washington, D.C. 20037

***Hand Delivered**